

**UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF MISSOURI
EASTERN DIVISION**

In re:)	Case No. 19-40883-659
)	Chapter 11
PAYLESS HOLDINGS LLC, <i>et al.</i> ,)	
)	Jointly Administered
Debtors.)	
)	Related Docket No.: 1107

**SUPPLEMENTAL DECLARATION OF STEVEN
SIMMS IN SUPPORT OF
THE APPLICATION OF THE DEBTORS PURSUANT
TO SECTIONS 327(A) AND 329(A) OF THE BANKRUPTCY CODE, BANKRUPTCY
RULES 2014(A) AND 2016(B), AND LOCAL BANKRUPTCY RULES 2014(A) AND
2016-1, FOR AN ORDER AUTHORIZING THE DEBTORS TO
RETAIN AND EMPLOY FTI CONSULTING AS FINANCIAL ADVISORS TO THE
INDEPENDENT MANAGERS EFFECTIVE *NUNC PRO TUNC* TO MAY 7, 2019**

I, STEVEN SIMMS, hereby declare under penalty of perjury and pursuant to 28 U.S.C. § 1746 that the following is true and correct to the best of my knowledge, information, and belief:

1. I am a Senior Managing Director of FTI Consulting, Inc. (together with its wholly owned subsidiaries, agents, independent contractors and employees, “FTI”), a financial advisory services firm with numerous offices throughout the country. I am duly authorized to make this supplemental declaration (“Supplemental Declaration”) on behalf of FTI.

2. I make this Supplemental Declaration in support of (i) the *Application of the Debtors, Acting at the Direction of the Independent Managers, for Entry of an Order Pursuant to 11 U.S.C. §§ 105(A) and 327, Fed. R. Bankr. P. 2014, and Local Rule 2014 Authorizing the Employment of FTI Consulting, Inc. as Financial Advisor to the Debtors’ Independent Managers Nunc Pro Tunc to May 7, 2019* [Docket No. 1107] (the “Application”) and (ii) the *Debtors’ Motion Pursuant to Section 105(a) of the Bankruptcy Code for an Order Directing That Certain Orders in the Chapter 11 Cases of Payless Holdings LLC, Et Al. Be Made Applicable to*

the July Debtors in Subsequently Filed Cases [Docket No. 1306] (the “Deeming Motion”). The Deeming Motion requests, among other things, that the Court’s *Order Authorizing the Application of the Debtors for Entry of an Order Pursuant to 11 U.S.C. §§ 105(A) and 327, Fed. R. Bankr. P. 2014, and L.R. 2014 Authorizing the Employment of FTI Consulting, Inc. as Financial Advisor to the Debtors’ Independent Managers Nunc Pro Tunc to May 7, 2019* [Docket No. 1276] (the “Order”) be made applicable to the chapter 11 cases (the “Chapter 11 Cases”) of the above-captioned debtors Collective Brands Logistics Limited and Payless Sourcing, LLC (collectively, the “July Debtors”).

3. In accordance with its obligations under Bankruptcy Rules 2014(a) and 2016(a) and Local Bankruptcy Rules 2014(A) and 2016-1, FTI has conducted, and continues to conduct, an examination of its relationships with the above-captioned Debtors (including the July Debtors), their creditors, and other parties in interest in the Chapter 11 Cases.

4. The facts set forth in this Declaration are personally known to me and, if called as a witness, I could and would testify thereto.

5. On February 18, 2019, the debtors and debtors in possession in the Chapter 11 Cases jointly administered as *Payless Holdings LLC, et al.*, Case No. 19-40883-659 (the “Original Debtors”, and together with the July Debtors, collectively, the “Debtors”) filed voluntary petitions for relief under Chapter 11 of the Bankruptcy Code.

6. On May 30, 2019, the Debtors filed the Application. In connection therewith, a declaration of Matthew Diaz in support of the Application was attached to the Application as Exhibit B.

7. On June 7, 2019, Matthew Diaz submitted the *Amended Declaration of Matthew Diaz in Support of the Application of the Debtors, Acting at the Direction of the Independent*

Managers, for Entry of an Order Pursuant to 11 U.S.C. §§ 105(A) and 327, Fed. R. Bankr. P. 2014, and L.R. 2014 Authorizing the Employment of FTI Consulting, Inc. as Financial Advisor to the Debtors' Independent Managers Nunc Pro Tunc to May 7, 2019 [Docket No. 1169] (the "Amended Declaration") in support of the Application.

8. On June 18, 2019, Matthew Diaz submitted the *First Supplemental Declaration of Matthew Diaz in Support of the Application of the Debtors, Acting at the Direction of the Independent Managers, for Entry of an Order Pursuant to 11 U.S.C. §§ 105(A) and 327, Fed. R. Bankr. P. 2014, and L.R. 2014 Authorizing the Employment of FTI Consulting, Inc. as Financial Advisor to the Debtors' Independent Managers Nunc Pro Tunc to May 7, 2019* [Docket No. 1249] (the "First Supplemental Declaration") in support of the Application. I submit this Supplemental Declaration to supplement the disclosures contained in the Amended Declaration and the First Supplemental Declaration.

9. Set forth on Schedule 1, attached hereto, is a supplemental listing of additional Interested Parties that have been identified since the Application's filing date and which were not already included by FTI in the Schedule A attached to the Amended Declaration and the First Supplemental Declaration (the "Additional Searched Parties"). As of the date of this Supplemental Declaration, I am aware that FTI may currently represent or have a connection with, may have represented or may in the future represent those entities (or affiliates) listed on Schedule 2 hereto. All such past or present relationships with the Additional Searched Parties disclosed in Schedule 2 are wholly unrelated to the Debtors and the Debtors' Chapter 11 Cases. None of these representations creates or ever created an adverse interest to the Debtors or their estates.

10. To the best of my knowledge, FTI remains eligible for employment and retention by the Debtors pursuant to Bankruptcy Code sections 327(a) and 330 and the applicable Federal Rules

of Bankruptcy Procedures and Local Rules.

11. Should any additional information relevant to FTI's retention and employment in these Chapter 11 Cases come to FTI's attention, FTI will submit similar supplemental declarations.

12. I declare under penalty of perjury under the laws of the United States of America that, to the best of my knowledge and belief, and after reasonable inquiry, the foregoing is true and correct.

Dated: July 16, 2019
New York, NY

Respectfully submitted,



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*Financial Advisor to the Debtors' Independent
Managers*

Schedule 1

Additional Searched Parties

Notice of Appearance Parties as of July 2, 2019

Carol J. Ryczek
Ifraan Siddique
International Inspirations LTD
Martin Financial Associates LLLP
Metlife Real Estate
Mohsin Siddique
Nosheen Rafique
Seayco-THF Conway Development, LLC
Southeast Market Center
Stamford Town Center
T.G.F. Company
Tennessee Attorney General
Travis County
Wheeler Real Estate Investment
Wilmington Savings Fund Society, FSB

Professionals

Deloitte & Touche LLP
Gowling WLG
Houlihan Lokey Capital, Inc.
Malfitano Advisors, LLC
Seward & Kissell LLP

Ordinary Course Professionals

Bugnion S.p.A.
Compliance Resources Group Inc.
KNA S.A.
Koukol & Johnson, LLC
Law Offices of Brian T. Howes

ADDITIONAL CONFLICTS RE ASIA FILINGS AS OF 7/1/2019

Directors

David Chew Hock Lin (Director of Debtor Entity)
Wilgrist Nominees Limited (Director of Debtor Entity)

Insurance Companies

Allied World Assurance Co.
China Pacific Ins. Co. Ltd.
MSIG (Insurance)
Ping An Property & Casualty Insurance Company of China, Ltd.

Government / Taxing Authorities

Health Insurance Bureau (Taiwan)

Labor Insurance Bureau (Taiwan)

Landlords

Mega International Commercial Bank Co. Ltd.

Utilities

Chunghwa Telecom

Taiwan Power

Taipei Water

Top 20 List [Excl. Parties Included Above]

Ascendant (Hong Kong) Trade Co. Limited

Aurora Group

BDO (HK)

BDO Taiwan

Business Direct Limited

Carewell Human Resource Corporation

Crown Van Lines

Dibang Shoes Co. Ltd.

Dongyi Shoes Co. Ltd.

Ever Spotlight Ltd.

Ever-Rite International Co. Ltd.

Ey Taiwan

Fly Earth Co. Ltd.

Fortune Way International Co., Ltd

Fusion Accessories Group Limited

Gamma Prosper International Ltd.

Golden Pacific LXJ

Highcom International Limited

Hong Kong Olisa Co. Limited

Huge Development Ltd.

MSL Bags and Accessories Company Limited

Nespresso

Putian City Hui Sheng Trading Co. Ltd.

Putian Sunyoung Enterprise Co. Ltd.

Qingdao Star Ocean Imp. & Exp. Co., Ltd.

Qingdao Xinghong Industry & Trade Co. Ltd.

Qingdao Xingzhilai Imp & Exp. Co. Ltd.

Racon Footwear Limited

Santak Corporation

SF Express

South China Shoes Products Company Ltd.

Winplay International Co. Ltd.

Xiamen C and D Light Industry Co. Ltd.6

Schedule 2

Additional Parties Searched	Nature of Connection
Wilmington Savings Fund Society	Wilmington Savings Fund Society is a current client of one or more business units of FTI in matters unrelated to the Debtors and these Chapter 11 Cases.
Deloitte & Touche	Deloitte & Touche is a current client of one or more business units of FTI in matters unrelated to the Debtors and these Chapter 11 Cases.
Gowling WLG	Gowling WLG is a current client of one or more business units of FTI in matters unrelated to the Debtors and these Chapter 11 Cases.
Houlihan Lokey Capital	Houlihan Lokey Capital is a current client of one or more business units of FTI in matters unrelated to the Debtors and these Chapter 11 Cases.
Seward & Kissel	Seward & Kissel is a former client of one or more business units of FTI in matters unrelated to the Debtors and these Chapter 11 Cases.
Allied World Assurance	Allied World Assurance is a current client of one or more business units of FTI in matters unrelated to the Debtors and these Chapter 11 Cases.
Mega International Commercial Bank Co. Ltd.	Mega International Commercial Bank Co. Ltd. is a former client of one or more business units of FTI in matters unrelated to the Debtors and these Chapter 11 Cases.
Nespresso	Nespresso is a current client of one or more business units of FTI in matters unrelated to the Debtors and these Chapter 11 Cases.